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Stamas Hosts Local Officials at Lansing State Land Payments Hearings

(LANSING) – State Senator Tony Stamas, R-Midland, last week welcomed Crawford County officials to the Senate Natural Resources and Environmental Affairs Committee and the Appropriations Natural Resources Subcommittee joint committee on Governor Jennifer Granholm's proposal to make all payments in lieu of taxes on land owned by the DNR to \$2 an acre. Senator Stamas is continuing to urge committee members that the legislature must ensure that payments-in-lieu of taxes will be appropriated to make up for the \$1.5 million Department of Natural Resources (DNR) summer 2003 tax shortfall that is to be paid to local governments.

“This committee is taking the appropriate steps to ensure that local governments will receive their summer 2003 payments as scheduled,” Stamas said. “This is a critical issue and I am glad that all involved parties are working together to seek a compromise solution for the future. I do believe that the state is obligated to fulfill its current commitment to our local governments.”

At last weeks hearing, Crawford County Treasurer Joseph Wakeley and County Controller Paul Compo testified on the importance of the state living up to its commitment.

”The DNR proposal to stop paying taxes on their property will severely impact all local governmental units in the State,” said Wakeley. “It is not right for the State of Michigan to continue to buy prime property, many times at higher than market value, and then say we cannot afford to pay the taxes on that property just is not acceptable.”

“The State of Michigan owns close to 400 Million Acres. They assess their own property. Improvements to the property are not assessable,” added Compo. “They enjoy the homestead designation of Agriculture and they are protected from large tax increases by Proposal A. If the State cannot afford their property taxes they should relieve themselves or the property, not shift the tax burden to local government.”

The DNR is facing a \$1.5 million summer 2003 tax payment shortage for all state land under the payment in lieu of taxes (PILT) obligation. Because of the shortage, local governments were concerned by the prospect of not receiving those funds from the state.

“Special thanks should be given to Joe and Paul for making the trip to Lansing to ensure that the committee understood the importance of this to local governments,” Stamas concluded.

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**Editor’s Note: A downloadable photograph of Senator Tony Stamas, Mr. Wakeley and Mr. Compo is available on the Senate Majority Photowire at:
<http://www.senate.michigan.gov/gop/photowire/Index.htm>**